

March 17th, 2004

ST Holding: renewal of the Shareholders Agreement between Finmeccanica, Areva and France Telecom

Finmeccanica, Areva and France Telecom signed today an agreement that renews their corporate governance of STMicroelectronics Holding N.V. ("STH"), confirming the Italian and French interest to manage together their stake in STMicroelectronics N.V. ("STM", listed at Milan, Paris and New York Stock Exchanges).

The balanced governance of STH in STM has been renewed based on a minimum percentage share of votes being held in STH, while the right of the shareholders to dispose of their entire stakes has been confirmed. The total financial flexibility of the current shareholders in the management of their stakes in STM has therefore been maintained while the number of parties that can now become shareholders of STM, without altering the balanced corporate governance, has been enlarged.

Areva and France Télécom (shareholders of FT1CI), and Finmeccanica, shareholder with FT1CI of STH, indirectly hold 34.5% in the outstanding share capital of STM. Currently such participation is equally shared (17,25%) between Finmeccanica and FT1CI.

The new shareholders agreement renews the existing agreement with the following principal terms:

- Balanced corporate governance for four years if each of the two shareholders maintain at least 9.5% of the voting rights indirectly owned in the overall number of STM outstanding shares, including the voting rights relating to the shares servicing exchangeable bonds or similar financial instruments (currently issued by a subsidiary of Finmeccanica as to 2.22% and France Telecom as to 2.93%). In particular, if the exercise of the conversion right of exchangeable outstanding bonds, or other financial instruments, determines a risk of losing the balanced corporate governance due to a fall below the minimum 9.5% threshold of voting rights, each shareholder shall have the right, but not the obligation, to re-balance, within a certain pre-set period, its participation with an equivalent number of STM shares. The current provisions implementing the balanced corporate governance are confirmed.
- Minority rights of the shareholder who will continue to maintain at least 3% of the voting rights in STM, or 10% of all STH voting rights in STM, shall be safeguarded.
- The shareholders of the STH holding company shall have the right, but not the obligation, to cause purchases to be made or to make directly purchases of STM shares on the market under certain conditions. Such purchases, if any, shall not alter the balanced governance conditions.
- In the event of the disposal of STM shares to third party purchasers controlled by the current shareholders or by their ultimate shareholders (that will agree to be bound by the shareholders agreement), the voting rights relating to such shares shall be considered valid for the purposes of corporate governance. The shareholders may also identify and mutually

agree on other institutional investors with similar characteristics that may participate in STH.

Shareholders will be allowed to make structured disposals on specific terms and conditions.

- In the event of disposals, the other shareholder shall enjoy a tag-along right in the event of placements on the stock market, and pre-emption rights if the disposals occur for shareholdings below 7% in STM's outstanding capital. No such rights shall be granted in the event of transfers to related parties (as defined above).
- After the fourth year (when the parties shall have a rebalancing option) the balanced corporate governance shall be maintained if the shareholders remain within a 47.5% or 52.5% threshold band between the participations held by each shareholder, and provided, however, that each shareholder has maintained, until the end of the fourth year, 9.5% of the voting rights in STM.

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STMicroelectronics is a global and independent semi-conductor manufacturer designing, developing, manufacturing and selling a wide range of integrated semiconductor chips and discrete applications utilised in microelectronic applications such as telecommunication, information systems, consumer electronics, car electronic controlling systems and industrial automation.

The ordinary shares of the company are listed on the New York, Paris, Italian stock exchanges and SEAQ International.